



## Stakeholder Communication Form

(Version 01.0)

This form shall be used for any CDM-related communication with the UNFCCC secretariat or the CDM Executive Board. All the questions are mandatory unless otherwise indicated.

The completed form and any supplemental documents shall be submitted electronically to [cdm-info@unfccc.int](mailto:cdm-info@unfccc.int), or via fax to +49-228-815-1999 or via post to: Sustainable Development Mechanism (SDM) Programme, UNFCCC secretariat, P.O. Box 260124, D-53153 Bonn, Germany.

### SECTION 1: COMMUNICATION HEADER

Please provide your contact information.

**Title:** Mr.                      **First Name:** Nuno                      **Last Name:** Barbosa

**Name of Organization:** UniCarbo Energia e Biogás Ltda.                      **E-mail Address:** nuno@unicarbo.com.br

**Postal Address:** Avenida Irai, 79 - 72 A Indianópolis - São Paulo, SP -                      **Phone Number:** 5511985960950  
**Country:** Brazil                      *Include country code (e.g. +49-228-815-1999)*

**Stakeholder Type:** Consultant                      If other:

Please indicate from whom you would like to get an answer.

**This communication is addressed to<sup>1</sup>:** Chair of CDM Executive Board (normal track)

### SECTION 2: PROJECT ACTIVITY OR PROGRAMME OF ACTIVITIES (PoA)

If this communication refers to a specific CDM project activity/PoA, please answer questions in this section (otherwise proceed to Section 3).

**Project/PoA Ref. Number**                      If applicable, CPA Ref. Number:  
5-digit# format 01234                      8-digit# format 0123-4567

**Project Cycle Stage**                      [Choose an item]                      If other:

If there is no specific CDM Reference Number, please answer the remaining questions in this section (otherwise proceed to Section 3).

**Host Country(ies)**

**Project/PoA Title**

**Technology Type**                      [Choose an item]                      If other:

### SECTION 3: YOUR COMMUNICATION

**Title/Subject**  
Maximum 250 characters                      Allowing more than 3 payment instalments for SOP under cases in which the amount of CERs under the issuance request is higher than 15,000

**Communication Text**  
Include background, details, and conclusion (unlimited length)                      Please see subsequent pages.

**Supplemental Documents**  
If applicable, list the title(s) of any attached file(s) or link(s)                      NA

**This communication may be made public**                      Yes

<sup>1</sup> In accordance with the "Procedure: Direct communication with stakeholders" (version 02.0), stakeholders may address communications either (a) to the secretariat, in order to seek a fast-track technical or operational explanation regarding the implementation of existing CDM rules, or (b) to the CDM Executive Board, in order to communicate to the Board their views on CDM rules and their implementation, or to seek official clarifications of CDM rules.

-----

**Document information**

---

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	02 March 2015	This form supersedes and replaces the following: <ul style="list-style-type: none"><li>• F-CDM-RtB: <i>Form for submission of Letters to the Board</i> (version 01.2)</li><li>• F-CDM-RtB-DOE: <i>Form for communication on policy issues initiated by AEs/DOEs</i> (version 01.1)</li><li>• CDM-RtB-DNA: <i>Form for communication on policy issues initiated by DNAs</i> (version 01.1)</li></ul>

---


Decision Class: Regulatory

Document Type: Form

Business Function: Governance

Keywords: communications

---

 <p><b>CDM: FORM FOR SUBMISSION OF A “LETTER TO THE BOARD” (Version 01.2)</b></p> <p>This form should be used only by project participants and other stakeholders for submitting a “Letter to the Board” in accordance with the latest version of the <i>Modalities and procedures for direct communication with stakeholders</i></p>	
Name of the stakeholder <sup>1</sup> submitting this form (individual/organization):	Nuno Barbosa UniCarbo Energia e Biogás Ltda.
Address and contact details of the individual submitting this form:	Address: Avenida Irai, 79 - 72 A Indianópolis - São Paulo, SP - Brazil Telephone number: + 55 11 9 8596 0950 E-mail address: <a href="mailto:nuno@unicarbo.com.br">nuno@unicarbo.com.br</a>
Title/Subject (give a short title or specify the subject of your submission)	Allowing more than 3 payment instalments for SOP under cases in which the amount of CERs under the issuance request is higher than 15,000
Please mention whether the submitter of the form is:	<input type="checkbox"/> Project participant <input checked="" type="checkbox"/> Other stakeholder, please specify <a href="#">CDM consultant/advisor</a>
Specify whether you want the letter to be treated as confidential <sup>2</sup> :	<input type="checkbox"/> To be treated as confidential <input checked="" type="checkbox"/> To be publicly available (UNFCCC CDM web site)
Please choose any of the type(s) below <sup>3</sup> to describe the purpose of this submission.	
<input checked="" type="checkbox"/> <b>Type I:</b> <input type="checkbox"/> <b>Request for clarification</b> <input checked="" type="checkbox"/> <b>Revision of existing rules</b> <input type="checkbox"/> Standards. Please specify reference <input type="checkbox"/> Procedures. Please specify reference <input type="checkbox"/> Guidance. Please specify reference <input type="checkbox"/> Forms. Please specify reference <input type="checkbox"/> Others. Please specify reference  <input type="checkbox"/> <b>Type II: Request for Introduction of new rules</b> <input type="checkbox"/> <b>Type III: Provision of information and suggestions on policy issues</b>	
Please describe in detail the issue on which you request a response from the Board, including the exact reference source and version (if applicable).	
>> The present letter to the EB aims to suggest changes to the 247 paragraph of CDM project cycle procedure for project activities (version 02.0).	

<sup>1</sup> DNAs and DOEs shall use the respective DNA/DOE forms for communication with the Board.

<sup>2</sup> As per the applicable modalities and procedures, the Board may make its response publicly available.

<sup>3</sup> Latest CDM regulatory documents and information are available at: <http://cdm.unfccc.int/Reference/index.html> .

*Please provide any specific suggestions or further information which would address the issue raised in the previous section, including the exact reference source and version (if applicable).*

We at UniCarbo - Energia e Biogás Ltda. (UniCarbo) act as CDM consultancy/advisory service provider (with special focus in initiatives/project activities (PAs) promoting collection and destruction and/or utilization of landfill gas (LFG)).

We would like to provide suggestion of improvement/change over the below-quoted paragraph 247 of the CDM project cycle procedure for project activities (CDM PCP for PA) (version 02.0):

*“247. For an approved request for issuance for which the share of proceeds has not been paid prior to the start of the completeness check of the request in accordance with this procedure valid at the time of the submission of the request, the project participants shall pay the share of proceeds and instruct the CDM registry administrator on the distribution of the CERs using the CDM-FWD-FORM. In doing so, the project participants **may divide the payment of the share of proceeds in up to three instalments per approved request for issuance, with a minimum of USD 1,500 for each of the first two instalments, and no less than USD 500 for the last instalment.** In such case, the project participants shall, for each instalment, request the secretariat to issue a payment instruction for the instalment, specifying the quantity of CERs to be released, prior to making the payment. Also in such case, if the monitoring period straddles the first and second commitment periods of the Kyoto Protocol, the project participants may specify the commitment period for which the CERs are to be released. After receiving the payment and the CDM-FWD-FORM from the project participants, the secretariat shall forward the corresponding quantity of CERs to the project participants specified in the CDM-FWD-FORM.”*

The payment alternative marked in bold in the above-quoted paragraph has indeed allowed several CDM PAs to forward and/or cancel CERs under fractions of the total amount of issued CERs, thus meeting common market quantitative requirements for CERs (e.g. commercial one-time agreements typically involving relatively low amount of CERs).

However, we would like to respectfully draw the attention of the CDM-EB for the particular situation normally faced by CDM PAs with previously approved request for issuance for which the share of proceeds has not yet been paid which involves high amount of CERs (e.g.: 300,000 CERs). While the above-highlighted payment alternative would indeed allow a typical PP of which PA has a previously approved request for issuance for 300,000 CERs (for which the share of proceeds is yet to be paid) to request two payment instalments for related to relatively lower amount of CERs (e.g. 10,000 CERs each), the third and last payment instalment would necessarily have to encompass the payment of SOP related to the total remaining share of emission reductions encompassed by the approved request for CER issuance (e.g. 280,000 CERs).

While based in our commercial experience, despite of yet persistent low market liquidity and low market price for CERs, it has been usual to have PPs for CDM project activities being asked to provide CERs for meeting demands in the range from 5,000 CERs up to 30,000 CERs (sometimes even for CERs valid for the 1<sup>st</sup> Commitment Period of the Kyoto Protocol!). This market situation has however made the supply/commercialization of CERs from previously approved request for issuance (and for which the SOP is yet to be paid) prohibitive when comparing the typical market price for a batch from 5,000 CERs to 30,000 CERs vis-à-vis the required SOP payment typically applicable for a typically pendent payment instalment related to a previously approved request involving high amount of CERs (e.g. 280,000 CERs).

Thus, in order to streamline the offer and liquidity of CERs related to previously approved request for CER issuance (for which the SOP is yet to be paid), we at UniCarbo would like to suggest that the currently applicable rule is complemented with the addition of the following suggested text in Paragraph 247 of the CDM PCP for PAs:

*“(…) in case that the value for the last of the up to three payment instalments is higher than USD 5,000, as an alternative, such last payment instalment can be further divided in lower value payment instalments provided that such instalments are not lower than USD 1,500 with the final installment of no less than USD 500.”*

We do believe that the above-suggested flexibilization of the rule for SOP payment for previously approved request for CER issuance will contribute to increase the market offer and market liquidity of CERs. We thus respectfully request the attention of the CDM-EB for our suggestion.

We believe that this suggestion would allow to increase the marketability of already approved request for issuance for which the share of proceeds has not been paid and kindly request that it is raised at the next EB meeting.

<i>If necessary, list attached files containing relevant information (if any)</i>	-
<b>Section below to be filled in by UNFCCC secretariat</b>	
Date when the form was received at UNFCCC secretariat	
Reference number	

-----

**History of document**

<b>Version</b>	<b>Date</b>	<b>Nature of revision</b>
01.2	08 February 2012	Editorial revision.
01.1	09 August 2011	Editorial revision.
01	04 August 2011	Initial publication date.
<b>Decision Class:</b> Regulatory <b>Document Type:</b> Form <b>Business Function:</b> Governance		